Viacom inc. Suite 1100, 1501 M Street, N.W. Washington, DC 20005

### **FX PARTE OR LATE FILED**

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February 19, 1999

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OFFICE OF THE SECRETARY

FEDERAL COMMUNICATIONS COMMISSION

Magalie Roman Salas Secretary Federal Communications Commission Room 222 1919 M Street, N.W. Washington, D.C. 20554

RE: Oral/Written Ex Parte Presentation

MM Docket Nos. 87-7, 91-221 (Local Television Ownership)

Dear Ms. Salas:

On February 18, 1999, representatives of Viacom Inc. ("Viacom") met with Susan Fox, Senior Legal Advisor to Chairman William Kennard, in connection with the above-captioned rule making proceeding. The Viacom representatives were Steve Goldman, Walter DeHaven and myself. The nature and scope of the oral presentation were limited to the ownership issues addressed in Viacom's comments filed on February 7, 1997 in response to the Second Further Notice of Proposed Rule Making. With respect to the issue of TV duopolies, Viacom submitted a one-page position paper, as well as two pages of tables detailing distances between DMAs. Viacom also submitted a chart demonstrating the anomalous ownership combinations that could result from a Grade A/DMA standard. (The Grade A contours were determined by reference to the 1998 Television and Cable Factbook.) Copies of all those submissions are attached hereto.

The proceeding at issue is a non-restricted proceeding in which presentations are permitted, but must be disclosed. Accordingly, this letter and a copy, as well as the attachments, are being filed pursuant to Section 1.1206 of the Commission's Rules.

Sincerely.

Anne Lucey

cc: Susan Fox (w/o attachments)

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### Viacom Inc.

Owns one-half of the UPN Network (with Chris-Craft), which is a start-up broadcast television network;



Cowns Paramount Stations Group (PSG), which is the licensee of 17 commercial broadcast TV stations. PSG also programs 2 additional TV stations pursuant to *out-of-market* LMAs. (One is West Palm-DMA TV station, operated from PSG's Miami-DMA TV station, and the second is a Providence-DMA market TV station, operated from PSG's Boston-DMA TV station); and

### **Position on Duopolies:**

The Commission should adopt a DMA-only standard, one that permits a party to own TV stations, so long as the stations are located in *different* DMAs.

### Rationale

- Grade A and Grade B standards are rooted in engineering and do not represent the geographic scope of competition between TV stations.
- Because Grade A contours vary greatly —depending upon the location of a station's transmitter, its height and its power level— a Grade A/DMA standard could lead to the anomalous and unfair result of permitting certain TV ownership combinations in two DMAs while prohibiting others in the same DMAs. [See accompanying tables.]
- TV stations direct their resources and personnel to attaining superior ratings within their given DMAs, not within their Grade A or Grade B contours.
- Efficiencies are possible in TV station combinations in which each TV station is located in separate, but adjacent, DMAs.
- These efficiencies are crucial to the competitiveness and economic stability of emerging broadcast television networks, such as UPN.
- Survival of UPN and other emerging networks will yield diversity of programming voices.

# TOP 50 MARKETS PROXIMITY TO CLOSEST TOP 50 MARKET SORTED BY MARKETS CLOSEST TO ONE ANOTHER

| Rank | Market         | Closest Top 50<br>Market | Distance |
|------|----------------|--------------------------|----------|
| 7    | Washington     | Baltimore                | 45       |
| 23   | Baltimore      | Washington               | 45       |
| 6    | Boston         | Providence               | 50       |
| 49   | Providence     | Boston                   | 50       |
| 16   | Miami          | W. Palm Bch.             | 66       |
| 43   | W. Palm Bch.   | Miami                    | 66       |
| 29   | Raleigh        | Greensboro               | 74       |
| 46   | Greensboro     | Raleigh                  | 74       |
| 15   | Tampa          | Orlando                  | 84       |
| 22   | Orlando        | Tampa                    | 84       |
| 27   | Hartford       | Providence               | 87       |
| 45   | Harrisburg     | Baltimore                | 87       |
| 28   | Charlotte      | Greenville               | 90       |
| 35   | Greenville     | Charlotte                | 90       |
| 3    | Chicago        | Milwaukee                | 92       |
| 32   | Milwaukee      | Chicago                  | 92       |
| 5    | San Francisco  | Sacramento               | 95       |
| 20   | Sacramento     | San Francisco            | 95       |
| 9    | Detroit        | Cleveland                | 100      |
| 13   | Cleveland      | Detroit                  | 100      |
| 1    | New York       | Philadelphia             | 101      |
| 4    | Philadelphia   | New York                 | 101      |
| 30   | Cincinnati     | Louisville               | 103      |
| 50   | Louisville     | Cincinnati               | 103      |
| 25   | Indianapolis   | Cincinnati               | 110      |
| 34   | Columbus, OH   | Cincinnati               | 111      |
| 47   | Wilkes-Barre   | Harrisburg               | 122      |
| 2    | Los Angeles    | San Diego                | 124      |
| 26   | San Diego      | Los Angeles              | 124      |
| 10   | Atlanta        | Greenville               | 142      |
| 37   | Grand Rapids   | Detroit                  | 156      |
| 39   | Norfolk        | Washington               | 156      |
| 19   | Pittsburgh     | Cleveland                | 157      |
| 12   | Seattle        | Portland, OR             | 174      |
| 24   | Portland, OR   | Seattle                  | 174      |
| 40   | Buffalo        | Cleveland                | 191      |
| 11   | Houston        | San Antonio              | 197      |
| 38   | San Antonio    | Houston                  | 197      |
| 8    | Dallas         | Oklahoma City            | 208      |
| 44   | Oklahoma City  | Dallas                   | 208      |
| 33   | Nashville      | Memphis                  | 210      |
| 42   | Memphis        | Nashville                | 210      |
| 21   | St. Louis      | Indianapolis             | 246      |
| 31   | Kansas City    | St. Louis                | 256      |
| 14   | Minneapolis    | Milwaukee                | 310      |
| 41   | New Orleans    | Houston                  | 340      |
| 17   | Phoenix        | San Diego                | 350      |
| 48   | Albuquerque    | Phoenix                  | 420      |
| 18   | Denver         | Salt Lake City           | 490      |
| 36   | Salt Lake City | Denver                   | 490      |

Distances taken from 1995 Rand McNally Road Atlas and are approximate.

### Rationale for Eliminating Grade A Overlap Restriction

### Television Markets Within 80 Miles

|                                  |  | Distance    | Grade A Overlap  |   | Distance   | No Grade A Overlap   |  |
|----------------------------------|--|-------------|--|---|------------|--|--|
| Market / Rank / % of US          | Market / Rank / % of US                        |             | Station / City of License / Affil.                           | Station / City of License / Affil.                              | In Miles   | Station / City of License / Affil.                         | Station / City of License / Affil.                     |
| New York / 1 / 6.9%              | Hartford-New Haven / 27 / .9%                  | 73<br>73    | WPIX-11 / New York / WB<br>WABC-7 / New York / ABC           | WTNH-8 / New Haven / ABC<br>WTNH-8 / New Haven / ABC            | 103<br>111 | WNBC-4 / New York / NBC<br>WPIX-11 / New York / WB         | WVIT-30 / New Britain / NBC<br>WFSB-3 / Hartford / CBS |
| Philadelphia / 4 / 2.7%          | Harrisburg-Lancaster-Lebanon-York / 45 / .6%   | 74<br>74    | WCAU-10 / Philadelphia / NBC<br>WPSG-57 / Philadelphia / UPN | WGAL-8 / Lancaster / NBC<br>WLYH-15 / Lancaster / UPN           | 104<br>114 | WPHL-17 / Philadelphia / WB<br>WPVI-6 / Philadelphia / ABC | WPMT-43 / York / WB<br>WHTM-27 / Harrisburg / ABC      |
| Washington / 7 / 2%              | Baltimore / 23 / 1%                            | 35          | All Stations have a Grade A Overlap                          |   |            |  |  |
| Detroit / 9 / 1.8%               | Toledo / 66 / .4%                              | 62          | All Stations have a Grade A Overlap                          |   |            | ,  |  |
| Detroit / 9 / 1.8%               | Flint-Saginaw-Bay City / 63 / .5%              | 64/101      | All Stations have a Grade A Overlap (                        | Except with WNEM-5 / Bay City / CBS)                            | 111        | All Detroit Stations                                       | WNEM-5 / Bay City / CBS                                |
| Miami-Ft. Lauderdale / 16 / 1.4% | West Palm Beach-Ft. Pierce / 43 / .6%          | 126<br>86   | WBFS-33 / Miami / UPN<br>WSVN-7 / Miami / FOX                | WTVX-34 / Ft. Pierce / UPN<br>WPBF-25 / Tequesta(W. Palm) / ABC | 86         | WTVJ-6 / Miami / NBC                                       | WPBF-25 / Tequesta(W. Palm) / ABC                      |
| Pittsburgh / 19 / 1.2%           | Wheeling-Steubenville / 138 / .2%              | 45/35       | /35 All Stations have a Grade A Overlap                      |   |            |  |  |
| Pittsburgh / 19 / 1.2%           | Johnstown-Altoona / 92 / .3%                   | 68<br>68    | WPGH-53 / Pittsburgh / FOX<br>WPXI-11 / Pittsburgh / NBC     | WWCP-8 / Johnstown / FOX<br>WJAC-6 / Johnstown / NBC            | 95<br>95   | WPGH-53 / Pittsburgh / FOX<br>WPXI-11 / Pittsburgh / NBC   | WATM-23 / Altoona / ABC<br>WTAJ-10 / Altoona / CBS     |
| Baltimore / 23 / 1%              | Harrisburg-Lancaster-Lebanon-York / 45 / .6%   | 87/60/75/48 | 60/75/48 All Stations have a Grade A Overlap                 |   |            |  |  |
| Hartford-New Haven / 27 / .9%    | Springfield-Holyoke / 103 / .2%                | 26/32       | All Stations have a Grade A Overlap                          |   |            |  |  |
| Hartford-New Haven / 27 / .9%    | Providence-New Bedford / 49 / .6%              | 95          | WVIT-30 / New Britain / NBC                                  | WPRI-12 / Providence / CBS                                      | 95         | WVIT-30 / New Britain / NBC                                | WJAR-10 / Providence / NBC                             |
| Charlotte / 28 / .9%             | Greensboro-Highpoint-Winston Salem / 46 / .6%  | 97/89/81    | All Stations have a Grade A Overlap                          |   |            |  |  |
| Charlotte / 28 / .9%             | Greenville-Spartanburg-Asheville / 35 / .7%    | 70          | WCNC-36 / Charlotte / NBC                                    | WSPA-7 / Spartanburg / CBS                                      | 90         | WCNC-36 / Charlotte / NBC                                  | WYFF-4 / Greenville / NBC                              |
| Raleigh / 29 / .8%               | Greensboro-Highpoint-Winston Salem / 46 / .6%  | 74          | WRAL-5 / Raleigh / CBS                                       | WFMY-2 / Greensboro / CBS                                       | 95         | WRAL-5 / Raliegh / CBS                                     | WXII-12 / Winston Salem / NBC                          |
| Raleigh / 29 / .8%               | Greenville, NC-New Bern-Washington / 106 / .2% | 82          | WRAL-5 / Raleigh / CBS                                       | WNCT-9 / Greenville,NC / CBS                                    | 82         | WLFL-22 / Raleigh / FOX                                    | WNCT-9 / Greenville,NC / CBS                           |
| Cincinnati / 30 / .8%            | Dayton / 53 / .5%                              | 55          | All Stations have a Grade A Overlap                          |   |            |  |  |
| Milwaukee / 32 / .8%             | Madison / 84 / .3%                             | 77          | WDJT-58 / Milwaukee / CBS                                    | WKOW-27 / Madison / ABC   | 77         | WCGV-24 / Milwaukee / IND                                  | WMSN-47 / Madison / FOX                                |
| San Antonio / 38 / .7%           | Austin / 60 / .5%                              | 83          | KSAT-12 / San Antonio / ABC                                  | KTBC-7 / Austin / FOX   | 67         | KRRT-35 / Kerrville(San Antonio) / WB                      | KTBC-7 / Austin / FOX                                  |

## TOP 50 MARKETS PROXIMITY TO CLOSEST TOP 50 MARKET

| Rank     | Market                | Closest Top 50<br>Market | Distance |
|----------|-----------------------|--------------------------|----------|
| 1        | New York              | Philadelphia             | 101      |
| 2        | Los Angeles           | San Diego                | 124      |
| 3        | Chicago               | Milwaukee                | 92       |
| 4        | Philadelphia          | New York                 | 101      |
| 5        | San Francisco         | Sacramento               | 95       |
| 6        | Boston                | Providence               | 50       |
| 7        | Washington            | Baltimore                | 45       |
| 8        | Dallas                | Oklahoma City            | 208      |
| 9        | Detroit               | Cleveland                | 100      |
| 10       | Atlanta               | Greenville               | 142      |
| 11       | Houston               | San Antonio              | 197      |
| 12       | Seattle               | Portland, OR             | 174      |
| 13       | Cleveland             | Detroit                  | 100      |
| 14       | Minneapolis           | Milwaukee                | 310      |
| 15       | Tampa                 | Orlando                  | 84       |
| 16       | Miami                 | W. Palm Bch.             | 66       |
| 17       | Phoenix               | San Diego                | 350      |
| 18       | Denver                | Salt Lake City           | 490      |
| 19       | Pittsburgh            | Cleveland                | 157      |
| 20       | Sacramento            | San Francisco            | 95       |
| 21       | St. Louis             | Indianapolis             | 246      |
| 22       | Orlando               | Tampa                    | 84       |
| 23       | Baltimore             | Washington               | 45       |
| 23<br>24 | Portland, OR          | Seattle                  | 174      |
|          | ·                     | Cincinnati               | 110      |
| 25<br>26 | Indianapolis          |                          |          |
| 26       | San Diego<br>Hartford | Los Angeles              | 124      |
| . 27     |                       | Providence               | 87       |
| 28       | Charlotte             | Greenville               | 90       |
| 29       | Raleigh               | Greensboro               | 74       |
| 30       | Cincinnati            | Louisville               | 103      |
| 31       | Kansas City           | St. Louis                | 256      |
| 32       | Milwaukee             | Chicago                  | 92       |
| 33       | Nashville             | Memphis                  | 210      |
| 34       | Columbus, OH          | Cincinnati               | 111      |
| 35       | Greenville            | Charlotte                | 90       |
| 36       | Salt Lake City        | Denver                   | 490      |
| 37       | Grand Rapids          | Detroit                  | 156      |
| 38       | San Antonio           | Houston                  | 197      |
| 39       | Norfolk               | Washington               | 156      |
| 40       | Buffalo               | Cleveland                | 191      |
| 41       | New Orleans           | Houston                  | 340      |
| 42       | Memphis               | Nashville                | 210      |
| 43       | W. Palm Bch.          | Miami                    | 66       |
| 44       | Oklahoma City         | Dallas                   | 208      |
| 45       | Harrisburg            | Baltimore                | - 87     |
| 46       | Greensboro            | Raleigh                  | 74       |
| 47       | Wilkes-Barre          | Harrisburg               | 122      |
| 48       | Albuquerque           | Phoenix                  | 420      |
| 49       | Providence            | Boston                   | 50       |
| 50       | Louisville            | Cincinnati               | 103      |

<sup>\*</sup>Distances taken from 1995 Rand McNally Road Atlas and are approximate.